

## Message Text

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ORIGIN EUR-12

INFO OCT-01 ISO-00 L-03 COME-00 TRSE-00 FBIE-00 CPR-01

CIAE-00 INR-07 NSAE-00 EB-07 SS-15 NSC-05 SP-02

/053 R

DRAFTED BY EUR/SOV :WHEDGAR:KR

APPROVED BY EUR: JAARMITAGE

EUR/SOV:MGARRISON

L/EUA:JWILLIS (DRAFT)

COMMERCE:HHEISS (DRAFT)

TREASURY:MSEARING (DRAFT)

-----260237Z 048115 /64

P 252329Z MAY 77

FM SECSTATE WASHDC

TO AMEMBASSY MOSCOW PRIORITY

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E.O. 11652:N/A

TAGS: PFOR, UR, US

SUBJECT: SOVIET ACQUISITIONS OF PROPERTY

REF: STATE 110467

1. PURSUANT TO CONVERSATION DESCRIBED REFTTEL, SOVIET EMBASSY SENT THE DEPARTMENT A DIPLOMATIC NOTE ON MAY 18. THE EMBASSY REFERRED TO THE DEPARTMENT'S NOTES OF JANUARY 7 AND MAY 3, AND SAID THAT IT WAS "OFFICIALLY SEEKING STATE DEPARTMENT AGREEMENT" FOR THE LEASING OF OFFICE SPACE AT 450 PARK AVENUE, NEW YORK, BY BELARUS MACHINERY. THE NOTE ALSO INFORMED THE DEPARTMENT THAT PROPERTY IN MILWAUKEE AND NEW ORLEANS PREVIOUSLY OWNED BY SATRA BELARUS HAD BEEN TRANSFERRED TO THE NEW SOVIET

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COMPANY.

2. THE NOTE CONCLUDED WITH THE FOLLOWING PARAGRAPH (UNOFFICIAL TRANSLATION): "AFTER NECESSARY STUDY OF THE SITUATION, THE EMBASSY RESERVES THE RIGHT TO RETURN TO THE ABOVE-MENTIONED NOTES OF THE STATE DEPARTMENT AND THEIR APPLICABILITY TO THE AFFAIRS OF JOINT STOCK COMPANIES

ESTABLISHED IN CONJUNCTION WITH THE LAWS OF THE UNITED

STATES IN CONFORMITY WITH THE AMERICAN LEGAL PROCESS."

3. IN A BRIEF CONVERSATION AT A SOVIET EMBASSY RECEPTION ON MAY 20, SOV DEPUTY DIRECTOR EDGAR TOLD MKRTUMOV THAT WE APPRECIATED THE CONSTRUCTIVE STEP THAT THE EMBASSY HAD TAKEN TOWARD RESOLVING THIS PROBLEM, AND SAID THAT WE WOULD REPLY TO THE NOTE PROMPTLY.

4. COMMENT. IF EMBASSY AGAIN RAISES THE GENERAL QUESTION OF WHETHER RENTAL OF PROPERTY BY SOVIET COMPANIES SHOULD BE COVERED BY DIPLOMATIC NOTES, WE ARE PREPARED TO CONSIDER ALLOWING THE SOVIET TRADE REPRESENTATIVE TO REQUEST THE DEPARTMENT'S PERMISSION BY LETTER IN THESE CASES. IN ANY EVENT, WE WILL CONTINUE TO INSIST THAT PERMISSION BE REQUESTED BY A SOVIET EMBASSY OR TRADE REPRESENTATION OFFICIAL.

IF USG HAD TO DEAL WITH US EMPLOYEES OF SOVIET-OWNED FIRMS INSTEAD OF WITH EMBASSY OFFICIALS, WE WOULD LOSE THE LEVERAGE WE NOW HAVE IN THE DIPLOMATIC CHANNEL AND THEREFORE WOULD BE LESS ABLE TO ENFORCE SECURITY AND RECIPROCITY.  
VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN RELATIONS, DIPLOMATIC NOTES, BUILDINGS & GROUNDS, REAL PROPERTY ACQUISITION, DIPLOMATIC PROTOCOL  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 25-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE121327  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** WHEDGAR:KR  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 4cb2bc89-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** 77 STATE 110467  
**Retention:** 0  
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**Review Event:**  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2366078  
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**Status:** NATIVE  
**Subject:** SOVIET ACQUISITIONS OF PROPERTY  
**TAGS:** PFOR, UR, US  
**To:** MOSCOW  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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US Department of State  
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